

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
MINUTES – DECEMBER 19, 2011

The regular meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on December 19, 2011. Chairman Caiola called the meeting to order at 7:30 p.m. Mr. Smith called the roll.

Those present:

Board of Supervisors: Greg Caiola, Chairman
 Pete Stainthorpe, Vice Chairman
 Ron Smith, Secretary
 Dan McLaughlin, Treasurer

Others: Terry Fedorchak, Township Manager
 David Truelove, Township Solicitor
 James Majewski, Township Engineer
 Kenneth Coluzzi, Chief of Police

PUBLIC COMMENT

Mr. Joe Menard, 917 Putnam Drive, stated he attended the presentation by the Delaware River Joint Toll Bridge Authority on Monday night and was extremely displeased. He stated he feels the Environmental Impact Study they put together was a “whitewash” of what was really going on with the Bridge. He stated currently the project is budgeted to be \$300 million, but he feels by the time they are done it could be \$450 million. He stated they were unwilling to tell what the toll would be. Mr. Menard reviewed the history of different Authorities which were put together because the Legislature and Governor were unwilling to have the responsibility of facing voters about tolls. Mr. Menard asked that the Board of Supervisors have a Public Hearing on this and let the Lower Makefield residents voice a unified opinion as to what is being done. He stated many of the Township residents need to go across this Bridge. Mr. Menard stated he is concerned that the Legislature has failed to properly fund roads and infrastructure. Mr. Caiola asked if members of the public were present from both New Jersey and Pennsylvania, and Mr. Menard stated they were.

Mr. Menard thanked Mr. Caiola and Mr. Smith as well as their wives and families for the time they devoted to the community.

Mr. Zachary Rubin, 1661 Covington Road, stated he also attended the meeting regarding the Scudders Falls Bridge, and in the presentation they showed no evidence of doing any improvements to Exit 49 coming south on I-95 and exiting onto 332. Mr. Rubin stated a Revised Impact Study was done by their traffic engineer, and the Level of Service at that intersection today is an F. He stated the Hospital is proposed to be built yards away from that intersection; and he urged the Board to continue their opposition to Aria Hospital because with the expansion of Scudders Falls Bridge, the area will be a “nightmare.”

APPROVAL OF MINUTES

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve the Minutes of November 9, 2011 as written.

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve the Minutes of November 21, 2011 as written.

Mr. McLaughlin moved, Mr. Stainthorpe seconded and it was unanimously carried to approve the Minutes of November 30, 2011 as written.

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve the Minutes of December 7, 2011 as written.

APPROVAL OF NOVEMBER 21, DECEMBER 5, AND DECEMBER 19, 2011 WARRANT LISTS AND NOVEMBER, 2011 PAYROLL

Mr. McLaughlin moved, Mr. Stainthorpe seconded and it was unanimously carried to approve the November 21, December 5, and December 19, 2011 Warrant Lists and November, 2011 Payroll as attached to the Minutes.

DISCUSSION AND APPROVAL OF RESOLUTION NO. 2236 ADOPTING THE 2012 BUDGET

Mr. Fedorchak stated despite the economy, the Township’s General Fund and overall financial outlook remains quite strong. He stated the 2012 Township Budget as presented shall not require any increase in taxes; and the Township property tax, which is the single most important revenue source, will remain at 15.12 mills. He stated this rate has not changed over the last four years.

Mr. Fedorchak stated the 2012 General Fund beginning balance is forecast to increase to \$1.5 million, and this continues a positive trend of increasing fund balances over the last two years. Mr. Fedorchak stated in 2010, they began the year with slightly more than \$900,000 so there is a significant increase over this two year period. Mr. Fedorchak stated this Fund's balance increase is a result of an overall solid performance in the majority of the revenue line items with the sole exception being Deed Transfer Tax, and significant reductions in certain key expense items such as hospitalization and energy costs. Mr. Fedorchak stated the 2012 General Fund expenses totaling \$9,824,000 is an increase of less than 1% over this year's levels. He stated the total Township Budget of \$23,057,000 forecasts 2012 spending at less than 2008 levels when they spent \$23,251,000.

Mr. Fedorchak stated all employee salaries will increase 2.75% in accordance with Union Contracts. He stated they are half way through two, four-year Contracts - one with the Police and one with the non-uniform employees. He stated the first year, each of those Contracts involved a wage freeze, the second year was 2.25%, next year will be 2.75%, and 3% the following year. He stated this averages to 2% per year over the four-year Contract.

Mr. Fedorchak stated the Board was very concerned about taking care of the Township's capital needs – most importantly the road resurfacing program, and they will be able to budget \$700,000 for road resurfacing in 2012 which is very close to the mark that the Township engineer indicated they needed to be for 2012.

Mr. Fedorchak stated the 15.12 mills translates to a \$631 per year tax bill for the average residential property.

Mr. Caiola thanked Mr. Fedorchak and the Department Heads for putting together a fantastic Budget. He stated he feels this is one of the most solid Budgets they have put together over the last three years. He thanked the Board of Supervisors and members of the public for their input during the Budget process.

Mr. McLaughlin thanked Mr. Fedorchak and his staff and Chief Coluzzi and his staff. He stated what they were asked to do was not easy, and he feels they are exactly where they need to be. He stated he feels they have stabilized the Township financially, and he does not feel they have cut one level of service that any Township resident would notice.

Mr. Stainthorpe moved and Mr. Smith seconded to approve Resolution No. 2236 Adopting the 2012 Budget.

Mr. Zachary Rubin asked if the position of Finance Director is budgeted in the 2012 Budget, and Mr. Fedorchak stated it is not. Mr. Rubin stated he has been a resident of the Township for twenty years, and up until this year, they have always had a Finance

Director. He stated he feels the finances are larger and more complicated than they were twenty years ago, and a Township of this size and complexity should have a Finance Director. He stated if they are cutting this position just to save money, he feels it is short sighted.

Mr. Rubin also stated that while there has not been a tax increase in four years, Newtown Township also has not raised taxes and Moody's just downgraded their rating. Mr. Rubin stated he wants to make sure Lower Makefield does not deplete the fund balances and get to the same position that Newtown Township is and have the bond ratings lowered. He stated it is possible that the Township may lose a Court case regarding the Dalgewicz matter, and this could cost the Township millions of dollars. He stated if they have to go into the Bond market with a lower rating, this will cost the Townships hundreds of thousands of dollars. He stated he wants to make sure that the Township keeps the best Bond rating possible even if there is a need for a tax increase.

Mr. Fedorchak stated while he is not completely familiar with all of the details regarding the Newtown Township downgrade, it is his understanding that there were two reasons and one of them was that the Township officials did begin to cut significantly into their reserves in order not to raise taxes. He stated the second concern Moody expressed was because Newtown's most important revenue source is their wage tax; and this has been impacted over the last three to four years. He stated he feels Moody's would see this as a more unstable revenue source than what is happening in Lower Makefield where the single most important revenue source is the property tax. He stated the property tax base throughout Lower Makefield is largely Residential, and the non-Residential component is relatively small. He stated the importance of this is there is not an industrial component to the tax base which would create a hole to fill should that industry leave.

Mr. Fedorchak stated in 2010 the Lower Makefield audited number was \$916,000 and it increased to \$1.1 million this year, and is forecasted to be \$1.5 million going into 2012. He stated it is also important to look at all of the Township's twenty funds where they are seeing a step up going from 2010, 2011, and 2012 where they should be at \$6.1 million for all Township funds. Mr. Fedorchak stated he is comfortable where the Township is at now; and they expect that if they were to go out for a re-financing early next year with these numbers, they would be able to maintain the AA rating. Mr. Fedorchak noted that just in 2010 when they had the two-refinancings, this is when they increased the rating from AA2 to AA1.

Mr. Ken Seda, 912 Weber Drive, thanked Mr. Caiola and Mr. Smith for their service. Mr. Seda asked if they completed all the road repairs scheduled for 2011, and Mr. Fedorchak stated they did. Mr. McLaughlin stated he feels they actually did more than budgeted because they used the proceeds from the sale of Elm Lowne for the road program. Mr. Caiola stated going into 2011, they did have a shortfall; and Mr. Seda

stated if they had not sold Elm Lowne, they would not have had enough money to cover the Budget, and Mr. Fedorchak agreed. Mr. Seda asked how close they are to what Mr. Majewski recommended for 2012; and Mr. Fedorchak stated Mr. Majewski had suggested \$748,000, and this evening he is guaranteeing \$700,000. He stated he will see where they end the year; and if they have additional money, he feels they will be able to reach the \$748,000. Mr. Fedorchak stated he feels this will be the most they spent on a road resurfacing program in his entire tenure with the Township.

Mr. Seda stated Mr. McLaughlin had indicated that there were cuts which the average resident would not feel, and he asked what cuts did happen. Mr. McLaughlin stated they looked at the back office in terms of hospitalization, electricity; and every dollar has been scrutinized. Mr. Seda stated he is asking about services. Mr. McLaughlin stated he feels they are doing them more efficiently. Mr. Fedorchak stated a good example is the basin maintenance program where through the efforts of the EAC who introduced about three years ago rather than cutting all the basins they considered a move toward naturalizing a number of the basins, and they have been able to do this incrementally over a period of time. Mr. Seda stated he recalls someone was before the Board indicating that the program did not work well in their area. Mr. Stainthorpe stated there are some people who do not like it. Mr. Fedorchak stated he agrees that there are some neighbors who were not in favor of this; however, the majority are in favor when the environmental reasons are explained, and once they see what the basin ultimately looks like, and they then begin to embrace the program. Mr. Fedorchak stated previously they spent close to \$90,000 in this function, and he would estimate that they are at \$50,000 for 2012. He stated by reducing the number of basins that are being cut, they are saving a significant amount of money. Mr. Fedorchak stated he was also able to reduce part-time staff who were working on that function.

Mr. Seda asked if there was any consideration given to televising the Budget Hearings, and Mr. Caiola stated they have not discussed this adding this is a more informal process than the standard meeting. He stated they would also have to consider the cost. He stated all meetings are open to the public. He stated the next Board would have to determine if they wish to televise these meetings. Mr. Seda stated he feels this is one of the most important things that the Supervisors do, and it might be worthwhile to televise these meetings so that people who are unable to attend the meetings which start earlier than the normal meetings would have an opportunity to view those meetings at a later time. It was noted that the Minutes are available; however, Mr. Seda stated he feels it would still be good to see the back and forth between the Board and the Department Heads. Mr. Caiola stated they have televised some other meetings such as Zoning Hearing Board meetings when the issues are critical and involve a lot of people.

Mr. Joe Menard noted the General Fund Capital Special Projects in the amount of \$300,000, and Mr. Fedorchak stated they will put this in the Capital Funds. Mr. Menard stated he still does not feel the Sewer Revenues are correct. He stated a large increase was passed last year which was in effect for three quarters of the year, and the increase in this year's budgeted amount is not equal to the pro rated increase for the full year so there is a large shortfall in the revenue in the Sewer Fund for this year. Mr. Fedorchak stated they will see what happens adding Mr. Menard may be right.

Motion carried unanimously.

APPROVAL OF RESOLUTION NO. 2237 FIXING TAX RATES AND SPECIAL LEVIES

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve Resolution No. 2237 fixing tax rates and special levies.

APPROVAL OF RESOLUTION NO. 2238 ESTABLISHING THE 2012 PARK & RECREATION FEE-IN-LIEU

Mr. Smith moved, Mr. Stainthorpe seconded and it was unanimously carried to approve Resolution No. 2238 establishing the 2012 Park & Recreation Fee-In-Lieu.

APPROVAL OF RESOLUTION NO. 2239 ESTABLISHING TRAFFIC IMPACT FEE

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve Resolution No. 2239 establishing the Traffic Impact Fee.

APPROVAL OF RESOLUTION NO. 2240 REGARDING EMPLOYEE CONTRIBUTIONS TO THE POLICE PENSION FUND FOR 2012

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve Resolution No. 2240 regarding Employee Contributions to the Police Pension Fund for 2012.

APPROVAL OF RESOLUTION NO. 2241 REGARDING CONTRIBUTIONS TO THE NON-UNIFORM PENSION FUND FOR 2012

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve Resolution No. 2241 regarding Contributions to the Non-Uniform Pension Fund for 2012.

APPROVAL OF RESOLUTION NO. 2242 ADOPTING THE BUCKS COUNTY 2011 HAZARD MITIGATION PLAN

Mr. Fedorchak stated the Township needs to adopt the County's Plan so that the Township can maintain eligibility for future FEMA and PEMA Grants.
Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to approve Resolution No. 2242 adopting the Bucks County 2011 Hazard Mitigation Plan.

AUTHORIZE EXECUTION OF SEVERE REPETITIVE LOSS GRANT AGREEMENT WITH PEMA IN THE AMOUNT OF \$200,340 TO ELEVATE THE HOME LOCATED AT 1451 ROBINSON PLACE

Mr. Majewski stated the Grant is for \$222,600 and the Federal share of that Grant which is 90% is the \$200,340; and the non-Federal contribution to the Grant is \$22,260 and that portion of the Grant will be paid for by the homeowner as their share of the cost to elevate the home. Mr. Majewski reviewed the process involved to elevate the home.

Mr. Majewski stated the first Grant they had in Lower Makefield was the Flood Mitigation Assistance Program which they applied for in 2007, and were awarded the Grant in 2008. Under that Grant five homes were eligible to be elevated; but ultimately only two homes were elevated. A third home wanted to be elevated, but there were a lot of difficulties working with FEMA and PEMA in order to try to get it elevated; and after over a year and a half of trying to work with them, they could not agree on what was eligible for the cost; and they are now pursuing buying out this property.

Mr. Majewski stated this project under discussion this evening is clearer and the guidelines are now in place by FEMA and PEMA, and he feels this project should go much smoother to elevate this home.

Mr. Stainthorpe moved and Mr. McLaughlin seconded to authorize execution of the Grant.

Mr. Smith asked if there is anything special about this property which is costing the Government almost a quarter million dollars. Mr. Majewski stated the Federal Government has a number of programs which can fund either acquiring homes and properties or elevating them. The ones which have been flooded numerous times and where cumulative damages over time equal 50% of the value of the house or the savings to the National Flood Insurance Funds are so great that it makes sense to give them a certain sum of money in order to elevate the home. He stated there is a list that shows which properties have had severe and repetitive losses.

Motion carried with Mr. Smith opposed.

GRANT CERTIFICATE OF APPROPRIATENESS TO DEMOLISH A DAMAGED DETACHED GARAGE AND TO CONSTRUCT A NEW DETACHED GARAGE AT 1648 YARDLEY-LANGHORNE ROAD

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to grant the Certificate of Appropriateness for the garage at 1648 Yardley-Langhorne Road.

GRANT EXTENSIONS TO ARIA HEALTH HOSPITAL, JENNINGS TRACT, AND GATHERINGS AT YARDLEY

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to grant an Extension to Aria Health Hospital to March 30, 2012.

Mr. McLaughlin moved, Mr. Stainthorpe seconded and it was unanimously carried to grant an Extension to the Jennings Tract to March 31, 2012.

Mr. Stainthorpe moved, Mr. McLaughlin seconded and it was unanimously carried to grant an Extension to Gatherings at Yardley to April 15, 2012.

REPORT ON EXECUTIVE SESSION

Mr. Truelove noted that the Board met at 7:00 p.m. in Executive Session and matters of personnel, Zoning, and collective bargaining were discussed.

ZONING HEARING BOARD MATTERS

With regard to the Stephen and Marie Harrison, 101 Pine Lane, Variance request to replace an existing, collapsing in-ground pool which will result in greater than permitted impervious surface, it was agreed to leave the matter to the Zoning Hearing Board.

With regard to the Yvonne Foote for Afton Elementary School, Variance request to remove an old sign and replace it with a 6' by 8' sign in the same location which is greater in size than permitted, it was agreed to leave the matter to the Zoning Hearing Board.

SUPERVISORS' REPORTS

Mr. Caiola thanked the Citizens Traffic Commission, Sewer Authority, and Farmland Preservation for their work and stated he enjoyed being their liaison.

OTHER BUSINESS

Mr. Truelove stated this in all likelihood is his last meeting, and he would like to thank the Board who are dedicated public servants, and he knows that the new Board will do the same for Lower Makefield which makes it a great place to live and work. He also thanked Mr. Fedorchak, the Department Heads, and staff. He stated he has lived in the Township for many years and appreciated the employees even more once he had the opportunity to work with them. He thanked the firms that he worked for the last few years – Curtin and Heefner and Hill Wallack for allowing him to do this work which is a public service. He thanked everyone for their support and stated he appreciated being part of the Township.

Mr. Smith stated working with the Township staff and the volunteer Boards made it a pleasure and a privilege to be Supervisor. He thanked everyone who has reached out to him thanking him for his service. He wished the new Board the best of luck and asked the public to give the three new Supervisors an opportunity to put their programs into place and that they all work together as Lower Makefield Township.

Mr. Caiola stated he feels they were able to accomplish a lot in the six years he served as Supervisor and stated particularly over the last few years when they had two Democrats, two Republicans, and an Independent, they were able to get a lot done because they all have a passion for working for the community. Mr. Caiola stated he has every expectation that the new Board will do just as much as the current Board has done.

Mr. Caiola stated the current Board was able to hold the line on taxes and still get things accomplished which is what every Board should look to do. Mr. Caiola thanked everyone for their support.

Mr. Stainthorpe thanked both Mr. Caiola and Mr. Smith for their service. He stated they are dedicated citizens and gentlemen; and even though they did not always agree, they are now friends. He stated the bonds that are made make Lower Makefield a great place; and he feels that even if they did disagree, they always managed to do the right thing.

Mr. McLaughlin stated he feels he is a better person for having served with Mr. Caiola and Mr. Smith who have been friends and mentors.

Mr. Caiola stated the Township staff is phenomenal and is every bit as dedicated as the Board. He stated they were able to do what they have done with the Township Budget and maintain services because of the people who work at the Township 24/7 and face the public on a daily basis. He stated Lower Makefield is an extremely civilized community, and he is proud to live in a place where people have this type of respect for one another.

APPOINTMENTS

Mr. Stainthorpe moved, Mr. Caiola seconded and it was unanimously carried to appoint Dave Rogers to the Disabled Persons Advisory Board.

There being no further business, Mr. Stainthorpe moved, Mr. Smith seconded and it was unanimously carried to adjourn the meeting at 8:30 p.m.

Respectfully Submitted,

Ron Smith, Secretary